

AMENDED IN SENATE JULY 23, 2003

AMENDED IN SENATE JUNE 23, 2003

AMENDED IN ASSEMBLY MAY 6, 2003

AMENDED IN ASSEMBLY APRIL 21, 2003

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

ASSEMBLY BILL

No. 1326

Introduced by Assembly Member Simitian
(Coauthor: Assembly Member Mullin)
(Coauthor: Senator Sher)

February 21, 2003

An act to add and repeal Article 15.3 (commencing with Section 8340) of Chapter 2 of Part 6 of the Education Code, relating to child care.

LEGISLATIVE COUNSEL'S DIGEST

AB 1326, as amended, Simitian. Child care subsidies: County of San Mateo: pilot project.

Existing law requires the Superintendent of Public Instruction to adopt rules and regulations on eligibility, enrollment, and priority of services for federal and state subsidized child care programs.

This bill would authorize the County of San Mateo, as a pilot project, to develop and implement an individualized county child care subsidy plan. The bill would require the plan to ensure that child care subsidies received by the county are used to address local needs, conditions, and priorities of working families in the community. The bill would require the County of San Mateo, prior to implementing the plan, to develop a

plan with specified elements, including development of local policies that may, except as specified, supersede existing law with regard to eligibility requirements, fees, reimbursement rates, and methods of maximizing use of funds. The bill would require the plan to be approved by the local child care planning council and the Child Development Division of the State Department of Education, as provided. *The bill would require the Legislative Analyst and the Senate Office of Research to review the data contained in the child care subsidy plan before the plan is submitted to the local child care planning council for approval.*

The bill would require the County of San Mateo to submit annual reports to the Legislature, *the State Department of Social Services*, and the ~~department~~ *State Department of Education* that summarize the success of the plan and to submit a final report to ~~the Legislature~~ *those entities* on or before December 31, 2008.

This bill would authorize the County of San Mateo to implement the plan until January 1, 2009, as specified. The bill would provide for the repeal of its provisions on January 1, 2011. *The bill would provide that between January 1, 2009 and January 1, 2011, a child who is phased out of the pilot program is subject to existing state laws and regulations regarding child care subsidies.*

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Article 15.3 (commencing with Section 8340)
- 2 is added to Chapter 2 of Part 6 of the Education Code, to read:
- 3
- 4 Article 15.3. Individualized County Child Care Subsidy Plan
- 5
- 6 8340. The County of San Mateo may, as a pilot project,
- 7 develop and implement an individualized county child care
- 8 subsidy plan. The plan shall ensure that child care subsidies
- 9 received by the county are used to address local needs, conditions,
- 10 and priorities of working families in the community.
- 11 8341. Prior to implementing the local subsidy plan, the
- 12 County of San Mateo, in consultation with the department, shall
- 13 develop an individualized county child care subsidy plan that
- 14 includes the following four elements:



1 (a) An assessment to identify the county’s goal for its
2 subsidized child care system. The assessment shall examine
3 whether the current structure of subsidized child care funding
4 adequately supports working families in the county and whether
5 the county’s child care goals coincide with the state’s requirements
6 for funding, eligibility, priority, and reimbursement. The
7 assessment shall also identify barriers in the state’s child care
8 subsidy system that inhibit the county from meeting its child care
9 goals. In conducting the assessment, the county shall consider all
10 of the following:

11 (1) The general demographics of families who are in need of
12 child care, including employment, income, language, ethnic, and
13 family composition.

14 (2) The current supply of available subsidized child care.

15 (3) The level of need for various types of subsidized child care
16 services including, but not limited to, infant care, after-hours care,
17 and care for children with exceptional needs.

18 (4) The county’s self-sufficiency income level.

19 (5) Income eligibility levels for subsidized child care.

20 (6) Family fees.

21 (7) The cost of providing child care.

22 (8) The regional market rates, as established by the department,
23 for different types of child care.

24 (9) The standard reimbursement rate or state per diem for
25 centers operating under contracts with the department.

26 (10) Trends in the county’s unemployment rate and housing
27 affordability index.

28 (b) Development of a local policy to eliminate state-imposed
29 regulatory barriers to the county’s achievement of its desired
30 outcomes for subsidized child care.

31 (1) The local policy shall do all of the following:

32 (A) Prioritize lowest income families first.

33 (B) *Follow the family fee schedule established pursuant to*
34 *subdivision (f) of Section 8263.*

35 (C) Meet local goals that are consistent with the state’s child
36 care goals.

37 ~~(C)~~

38 (D) Identify existing policies that would be affected by the
39 county’s child care subsidy plan.

40 ~~(D)~~



1 ~~(E) Authorize any department direct service contractors who~~
2 ~~provide child care and development services in San Mateo County,~~
3 ~~at their election, to amend existing contracts with the department,~~
4 ~~upon approval of the department, in order to benefit agency that~~
5 ~~provides child care and development services in San Mateo County~~
6 ~~through a contract with the department to apply to the department~~
7 ~~to amend existing contracts in order to benefit from the local~~
8 policy once it is adopted. The contract of a department contractor
9 who does not elect to ~~amend~~ request an amendment to its contract
10 remains operative and enforceable.

11 (2) The local policy may supersede state law concerning child
12 care subsidy programs with regard only to the following factors:

13 (A) Eligibility criteria including, but not limited to, age, family
14 size, time limits, income level, inclusion of former and current
15 CalWORKs participants, and special needs considerations, except
16 that the local policy may not deny or reduce eligibility of a family
17 that qualifies for child care pursuant to Section 8353. Under the
18 local policy, a family that qualifies for child care pursuant to
19 Section 8354 shall be treated for purposes of eligibility and fees in
20 the same manner as a family that qualifies for subsidized child care
21 on another basis pursuant to the local policy.

22 (B) Fees including, but not limited to, family fees, sliding scale
23 fees, and copayments.

24 (C) Reimbursement rates.

25 (D) Methods of maximizing the efficient use of subsidy funds,
26 including, but not limited to, multiyear contracting with the
27 department for center-based child care, and interagency
28 agreements that allow for flexible and temporary transfer of funds
29 among agencies.

30 (c) Recognition that all funding sources utilized by direct
31 service contractors that provide child care and development
32 services in San Mateo County are eligible to be included in the
33 child care subsidy plan of the county.

34 (d) Establishment of measurable outcomes to evaluate the
35 success of the plan to achieve the county's child care goals and to
36 overcome any barriers identified in the state's child care subsidy
37 system. *The Department of Social Services shall have an*
38 *opportunity to review and comment on the proposed measurable*
39 *outcomes before they are submitted to the local child care planning*
40 *council for approval pursuant to Section 8342.*



1 98341.5. *To ensure that the annual and final reports required*
2 *pursuant to Section 8343 provide useful comparative information,*
3 *the Legislative Analyst and the Senate Office of Research shall*
4 *review the evaluation design, the baseline data, and the data*
5 *collection proposed in the child care subsidy plan of the county*
6 *before the plan is submitted to the local child care planning council*
7 *for approval.*

8 8342. (a) The plan shall be submitted to the local child care
9 planning council for approval. Upon approval of the plan by the
10 local child care planning council, the county board of supervisors
11 shall hold at least one public hearing on the plan. Following the
12 hearing, if the county board of supervisors votes in favor of the
13 plan, the plan shall be submitted to the Child Development
14 Division of the department for review.

15 (b) Within 30 days of receiving the plan, the Child
16 Development Division shall review and either approve or
17 disapprove the plan.

18 (c) Within 30 days of receiving any modification to the plan,
19 the Child Development Division shall review and either approve
20 or disapprove that modification to the plan.

21 (d) The Child Development Division may disapprove only
22 those portions of the plan or modifications to the plan that are not
23 in conformance with this article or that are in conflict with federal
24 law.

25 8343. (a) Upon approval of the plan by the Child
26 Development Division, the County of San Mateo shall annually
27 prepare and submit to the Legislature, *the Department of Social*
28 *Services*, and the department a report that summarizes the success
29 of the pilot project and the county's ability to maximize the use of
30 funds and to improve and stabilize child care in the county.

31 (b) On or before December 31, 2008, the County of San Mateo
32 shall submit a final report to the Legislature, *the Department of*
33 *Social Services*, and *the department* summarizing the impact of the
34 plan on the child care needs of working families.

35 ~~8345.—~~

36 8344. The County of San Mateo may implement its
37 individualized county child care subsidy plan until January 1,
38 2009, at which date the County of San Mateo shall terminate the
39 plan. Between January 1, 2009, and January 1, 2011, the County
40 of San Mateo shall phase out the individualized county child care



1 subsidy plan and, as of January 1, 2011, shall implement the state's
2 requirements for child care subsidies. *A child enrolling for the first*
3 *time for subsidized child care in San Mateo County after January*
4 *1, 2009, may not be enrolled in the pilot program established*
5 *pursuant to this article and is subject to existing state laws and*
6 *regulations regarding child care eligibility and priority.*

7 ~~8346. This article does not affect the level of funding for a~~
8 ~~contractor that participates in the local child care subsidy plan.~~

9 8345. The plan shall allow a participating contractor to
10 receive any increase in funding that the contractor would have
11 received if the contractor had not participated in the local subsidy
12 plan.

13 ~~8347.—~~

14 8346. This article shall remain in effect only until January 1,
15 2011, and as of that date is repealed, unless a later enacted statute,
16 which is enacted before January 1, 2011, deletes or extends that
17 date.

